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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

L.A. INTERNATIONAL CORP., et
al.,

Plaintiffs,

v.

PRESTIGE CONSUMER
HEALTHCARE, INC., et al.,

Defendants.

Case No. CV 18-6809-MWF (MRWx)

The Honorable Michael W. Fitzgerald,
United States District Judge

JUDGMENT AFTER TRIAL

This action came on regularly for jury trial between December 5, 2023, and December 14, 2023, in Courtroom 5A of this United States District Court. Plaintiffs L.A. International Corp., Manhattan Wholesalers Inc., Excel Wholesale Distributors Inc., Value Distributor, Inc., Border Cash & Carry, Inc., AKR Corporation, U.S. Wholesale Outlet & Distribution, Inc., Sanoor, Inc. (d/b/a L.A. Top Distributor), Pittsburg Wholesale Grocers, Inc., and Pacific Groservice, Inc. (together, with Pittsburg Wholesale Grocers, Inc., referred to as "PITCO") were represented by Randolph Gaw, Esq. and Mark Poe, Esq. of Gaw | Poe LLP.

Defendants Prestige Consumer Healthcare, Inc. (f/k/a Prestige Brands Holdings, Inc.) and its wholly-owned subsidiary Medtech Products, Inc. (collectively, “Defendants”) were represented by Michael Fox, Esq., C. Sean Patterson, Esq., Robert Kum, Esq., Christine Ross, Esq., and William Shotzbarger, Esq. of Duane Morris LLP.

A jury of eight persons was regularly empaneled and sworn. Witnesses were sworn and testified, and exhibits were admitted into evidence. The legal issues (damages) were tried to the jury, and the equitable issues (injunctive relief) were tried to the Court. After hearing the evidence and arguments of counsel, the jury was duly instructed by the Court and the case was submitted to the jury. The jury deliberated and thereafter returned a verdict as follows:

ROBINSON-PATMAN ACT CLAIM

1. Did any Plaintiff prove that the Defendants violated the Robinson-Patman Act? (Instruction No. 17).

AKR	<u> X </u> Yes	<u> </u> No
Border Cash & Carry	<u> X </u> Yes	<u> </u> No
Excel Wholesale	<u> X </u> Yes	<u> </u> No
L.A. International	<u> X </u> Yes	<u> </u> No
L.A. Top Distributor	<u> X </u> Yes	<u> </u> No
Manhattan Wholesalers	<u> X </u> Yes	<u> </u> No
PITCO	<u> X </u> Yes	<u> </u> No
U.S. Wholesale	<u> X </u> Yes	<u> </u> No
Value Distributor	<u> X </u> Yes	<u> </u> No

If your answer to Question No. 1 is “Yes” for any Plaintiff, please answer Question No. 2 as to that Plaintiff only.

If your answer to Question No. 1 is “No” for all Plaintiffs, please answer Question No. 7.

2. Did the Defendants prove, as to any Plaintiff, that the differences in price for Clear Eyes given to Costco Business Center and Sam's Club were to meet the price of the Defendants' competitor? (Instruction No. 24).

AKR	_____ Yes	<u> X </u> No
Border Cash & Carry	_____ Yes	<u> X </u> No
Excel Wholesale	_____ Yes	<u> X </u> No
L.A. International	_____ Yes	<u> X </u> No
L.A. Top Distributor	_____ Yes	<u> X </u> No
Manhattan Wholesalers	_____ Yes	<u> X </u> No
PITCO	_____ Yes	<u> X </u> No
U.S. Wholesale	_____ Yes	<u> X </u> No
Value Distributor	_____ Yes	<u> X </u> No

If your answer to Question No. 2 is "Yes" for all Plaintiffs, please answer Question No. 7.

If your answer to Question No. 2 is "No" for any Plaintiff, please answer Question No. 3 as to that Plaintiff only.

3. Did the Defendants prove, as to any Plaintiff, that the difference in price for Clear Eyes given to Costco Business Center and Sam's Club were justified by cost differences? (Instruction No. 25).

AKR	_____ Yes	<u> X </u> No
Border Cash & Carry	_____ Yes	<u> X </u> No
Excel Wholesale	_____ Yes	<u> X </u> No
L.A. International	_____ Yes	<u> X </u> No
L.A. Top Distributor	_____ Yes	<u> X </u> No
Manhattan Wholesalers	_____ Yes	<u> X </u> No
PITCO	_____ Yes	<u> X </u> No
U.S. Wholesale	_____ Yes	<u> X </u> No

1 Value Distributor _____ Yes X No

2 *If your answer to Question No. 3 is “Yes” for all Plaintiffs, please answer*
3 *Question No. 7.*

4 *If your answer to Question No. 3 is “No” for any Plaintiff, please answer Question*
5 *No. 4 as to that Plaintiff only.*

6

7 4. Did any Plaintiff prove that it was injured by the Defendants’
8 violations of the Robinson-Patman Act? (Instruction No. 27).

9 AKR X Yes _____ No

10 Border Cash & Carry X Yes _____ No

11 Excel Wholesale X Yes _____ No

12 L.A. International X Yes _____ No

13 L.A. Top Distributor X Yes _____ No

14 Manhattan Wholesalers X Yes _____ No

15 PITCO X Yes _____ No

16 U.S. Wholesale X Yes _____ No

17 Value Distributor X Yes _____ No

18 *If your answer to Question No. 4 is “Yes” for any Plaintiff, please answer*
19 *Question No. 5 as to that Plaintiff only.*

20 *If your answer to Question No. 4 is “No” for all Plaintiffs, please answer Question*
21 *No. 7.*

22

23 5. Did the Defendants prove that a Plaintiff failed to use reasonable
24 efforts to mitigate its damages under the Robinson-Patman Act? (Instruction No.
25 32).

26 AKR _____ Yes X No

27 Border Cash & Carry _____ Yes X No

28 Excel Wholesale _____ Yes X No

1	L.A. International	_____ Yes	<u> X </u> No
2	L.A. Top Distributor	_____ Yes	<u> X </u> No
3	Manhattan Wholesalers	_____ Yes	<u> X </u> No
4	PITCO	_____ Yes	<u> X </u> No
5	U.S. Wholesale	_____ Yes	<u> X </u> No
6	Value Distributor	_____ Yes	<u> X </u> No

7

8 *Regardless of your answer, please answer Question No. 6.*

9

10 6. What amount of damages did each Plaintiff prove for the Defendants’

11 violation of the Robinson-Patman Act? (Instruction No. 28).

12	AKR	\$ _____	25,000
13	Border Cash & Carry	\$ _____	0
14	Excel Wholesale	\$ _____	25,000
15	L.A. International	\$ _____	95,000
16	L.A. Top Distributor	\$ _____	25,000
17	Manhattan Wholesalers	\$ _____	25,000
18	PITCO	\$ _____	30,000
19	U.S. Wholesale	\$ _____	25,000
20	Value Distributor	\$ _____	100,000

21 *Regardless of your answer, please answer Question No. 7.*

22

23 **CALIFORNIA UNFAIR PRACTICES ACT CLAIM**

24 7. Did any Plaintiff prove that the Defendants violated the California

25 Unfair Practices Act? (Instruction No. 33).

26	L.A. International	<u> X </u> Yes	_____ No
27	L.A. Top Distributor	<u> X </u> Yes	_____ No
28	PITCO	<u> X </u> Yes	_____ No

1 U.S. Wholesale X Yes No
2 Value Distributor X Yes No

3 *If your answer to Question No. 7 is “Yes” for any Plaintiff, please answer*
4 *Question No. 8 as to that Plaintiff only.*

5 *If your answer to Question No. 7 is “No” for all Plaintiffs, please sign and return*
6 *this form.*

7
8 8. Did the Defendants prove that the secret rebates were lawful because
9 they applied to different classes of customers? (Instruction No. 34).

10 L.A. International Yes X No
11 L.A. Top Distributor Yes X No
12 PITCO Yes X No
13 U.S. Wholesale Yes X No
14 Value Distributor Yes X No

15 *If your answer to Question No. 8 is “Yes” for all Plaintiffs, please sign and return*
16 *this form.*

17 *If your answer to Question No. 8 is “No” for any Plaintiff, please answer Question*
18 *No. 9 as to that Plaintiff only.*

19
20 9. Did the Defendants prove that the secret rebates were lawful because
21 they were justified by a good-faith attempt to meet competition? (Instruction Nos.
22 35–36).

23 L.A. International Yes X No
24 L.A. Top Distributor Yes X No
25 PITCO Yes X No
26 U.S. Wholesale Yes X No
27 Value Distributor Yes X No

28 *Regardless of your answer, please answer Question No. 10.*

10. What amount of damages did each Plaintiff prove for the Defendants' violations of the California Unfair Practices Act? (Instruction Nos. 37–38). (*You should answer this question without regard to any damages that you may have awarded in response to Question No. 6. If necessary, the Court will ensure that no double-counting takes place.*)

L.A. International	\$	<u>90,000</u>
L.A. Top Distributor	\$	<u>30,000</u>
PITCO	\$	<u>75,000</u>
U.S. Wholesale	\$	<u>5,000</u>
Value Distributor	\$	<u>130,000</u>

Following the jury's verdict, on May 20, 2024, the Court made its Findings of Facts and Conclusions of Law on the remaining equitable issues.

Now, therefore, pursuant to Rules 54 and 58 of the Federal Rules of Civil Procedure, **IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that final judgment in this action be entered as follows:

- On Plaintiff L.A. International Corp.'s claim for relief for violation of Section 2(a) of the Robinson-Patman Act (15 U.S.C. § 13(a)):*
Judgment is entered in favor of Plaintiff L.A. International Corp. and against Defendants in the amount of \$95,000.
- On Plaintiff Manhattan Wholesalers Inc.'s claim for relief for violation of Section 2(a) of the Robinson-Patman Act (15 U.S.C. § 13(a)):* Judgment is entered in favor of Plaintiff Manhattan Wholesalers Inc. and against Defendants in the amount of \$25,000.
- On Plaintiff Excel Wholesale Distributors Inc.'s claim for relief for violation of Section 2(a) of the Robinson-Patman Act (15 U.S.C.*

1 § 13(a)): Judgment is entered in favor of Plaintiff Excel Wholesale
2 Distributors Inc. and against Defendants in the amount of \$25,000.

3 4. *On Plaintiff Value Distributor, Inc. 's claim for relief for violation of*
4 *the California Unfair Practices Act (Cal. Bus. & Prof. Code § 17045):*
5 Judgment is entered in favor of Plaintiff Value Distributor, Inc. and
6 against Defendants in the amount of \$130,000.

7 5. *On Plaintiff Border Cash & Carry, Inc. 's claim for relief for violation*
8 *of Section 2(a) of the Robinson-Patman Act (15 U.S.C. § 13(a)):*
9 Judgment is entered in favor of Plaintiff Border Cash & Carry, Inc.
10 and against Defendants in the amount of \$0.

11 6. *On Plaintiff AKR Corporation 's claim for relief for violation of*
12 *Section 2(a) of the Robinson-Patman Act (15 U.S.C. § 13(a)):*
13 Judgment is entered in favor of Plaintiff AKR Corporation and against
14 Defendants in the amount of \$25,000.

15 7. *On Plaintiff U.S. Wholesale Outlet & Distribution, Inc. 's claim for*
16 *relief for violation of Section 2(a) of the Robinson-Patman Act (15*
17 *U.S.C. § 13(a)):* Judgment is entered in favor of Plaintiff U.S.
18 Wholesale Outlet & Distribution, Inc. and against Defendants in the
19 amount of \$25,000.

20 8. *On Plaintiff L.A. Top Distributor 's claim for relief for violation of the*
21 *California Unfair Practices Act (Cal. Bus. & Prof. Code § 17045):*
22 Judgment is entered in favor of Plaintiff L.A. Top Distributor and
23 against Defendants in the amount of \$30,000.

24 9. *On Plaintiff PITCO 's claim for relief for violation of the California*
25 *Unfair Practices Act (Cal. Bus. & Prof. Code § 17045):* Judgment is
26 entered in favor of Plaintiff PITCO and against Defendants in the
27 amount of \$75,000.

28 10. *On Plaintiffs L.A. International Corp. 's, Manhattan Wholesalers*
 Inc. 's, Excel Wholesale Distributors Inc. 's, Value Distributor, Inc. 's,

AKR Corporation's, U.S. Wholesale Outlet & Distribution, Inc.'s, L.A. Top Distributor's, and PITCO's claims for relief for violation of Section 2(d) of the Robinson-Patman Act (15 U.S.C. § 13(d)):

Judgment is entered in favor of Plaintiffs L.A. International Corp., Manhattan Wholesalers Inc, Excel Wholesale Distributors Inc., Value Distributor, Inc., AKR Corporation, U.S. Wholesale Outlet & Distribution, Inc., L.A. Top Distributor, and PITCO and against Defendants.

11. On Plaintiff Border Cash & Carry, Inc.'s claim for relief for violation of Section 2(d) of the Robinson-Patman Act (15 U.S.C. § 13(d)):

Judgment is entered in favor of Defendants and against Plaintiff Border Cash & Carry, Inc.

12. On Plaintiffs L.A. International Corp.'s, Value Distributor, Inc.'s, U.S. Wholesale Outlet & Distribution, Inc.'s, L.A. Top Distributor's, and PITCO's claims for relief for violation of the California Unfair Competition Law (Cal. Bus. & Prof. Code § 17203): Judgment is entered in favor of Plaintiffs L.A. International Corp., Value Distributor, Inc., U.S. Wholesale Outlet & Distribution, Inc., L.A. Top Distributor, and PITCO and against Defendants.

13. Defendants shall:

- a. Allow all Plaintiffs (including any successor entities to Plaintiffs) other than Border Cash & Carry to purchase Clear Eyes on the same price terms and conditions on which Defendants sell Clear Eyes to the Costco Business Center division of Costco Wholesale Corporation ("Costco"), including the availability of any discounts, billback, rebates (including rebates such as the "Instant Redeemable Coupons"), or other terms that impact the net price paid by Costco.

- 1 b. Allow Plaintiffs (including any successor entities to Plaintiffs)
- 2 other than Border Cash & Carry to participate, on
- 3 proportionally equal terms, in all promotional programs and
- 4 payments that Defendants make available to Costco in
- 5 connection with the handling, sale, or offering for sale of Clear
- 6 Eyes (including payments such as the DOW allowance).
- 7 c. Allow Plaintiff Border Cash & Carry (including any successor
- 8 entity) to purchase Clear Eyes on the same price terms and
- 9 conditions on which Defendants sell Clear Eyes to the Sam's
- 10 Club division of Walmart, Inc. ("Sam's Club"), including the
- 11 availability of any discounts, billbacks, rebates, or other terms
- 12 that impact the net price paid by Sam's Club.
- 13 d. For a period of five years from the date of final judgment,
- 14 Defendants shall semi-annually submit a report to Plaintiffs'
- 15 counsel (on a "confidential" basis under the terms of the
- 16 existing protective order) stating the list price Defendants are
- 17 then-charging to Costco and to Sam's Club for Clear Eyes and
- 18 the effective date of any increase or decrease in that price, along
- 19 with an itemization and summary of any discounts, rebates,
- 20 promotional terms, or other payments that Defendants make to
- 21 Costco and Sam's Club in conjunction with sales of Clear Eyes.
- 22 The semi-annual reports shall be signed under oath by an
- 23 officer of one of the defendant companies.

- 24 14. Plaintiffs may seek to recover attorneys' fees and costs as provided by
- 25 law.


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1 **IT IS FURTHER ORDERED** that this Court retains jurisdiction over any
2 matter pertaining to this judgment.

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4 Dated: May 28, 2024.

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7 MICHAEL W. FITZGERALD
8 United States District Judge
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